

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN

In re:

Baldwin Pattie Drug Store, LLC

Case No. 20-01025

Chapter 11

Hon. James W. Boyd

Debtor(s) /

**COVER SHEET FOR MOTION TO USE CASH
COLLATERAL OR TO OBTAIN CREDIT**

The debtor has filed a motion to use cash collateral or to obtain postpetition financing, which is attached to this Cover Sheet. In accordance with LBR 4001-2(b), the debtor has identified below, by page and paragraph number, the location in the proposed order accompanying the motion of each of the following provisions:

Provision	Contained in Proposed Order	Location in Proposed Order
(1) Provisions that grant liens on the estate's claims and causes of action arising under Chapter 5 of the Code.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __
(2) Provisions that grant cross-collateralization protection to the prepetition secured creditor (i.e., clauses that secure prepetition debt with categories of collateral that were not covered by the secured party's lien prepetition) other than liens granted solely as adequate protection against diminution in value of a prepetition creditor's collateral.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __
(3) Provisions that establish a procedure or conditions for relief from the automatic stay.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __

(14) Provisions that address the rights and obligations of guarantors or co-obligors.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __
(15) Provisions that prohibit the debtor from seeking approval to use cash collateral without the secured creditor's consent.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __
(16) Provisions that purport to bind a subsequent trustee.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __
(17) Provisions that obligate the debtor to pay any of a secured creditor's professional fees.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Page ____, ¶ __

Date: March 11, 2020

Paul I. Bare (P26843)

[Debtor's counsel]

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN**

In Re:
Baldwin Pattie Drug Store, LLC
Debtor,

Case No. 20-01025
Chapter 11
Hon. James W. Boyd
Filed On: 3/10/2020

**DEBTOR'S FIRST DAY MOTION TO USE
CASH COLLATERAL**

Now comes Debtor, by and through its attorneys, Bare & Clough PC, and for its motion requesting an order authorizing it to use cash collateral states as follows:

1. The above captioned Debtor, Baldwin Pattie Drug Store, LLC, requests that an order, attached hereto as Exhibit A, authorizing the Debtor to use cash collateral be entered.
2. Debtor filed a Chapter 11 petition on March 10, 2020. Debtor is operating its business as a debtor in possession pursuant to 11 USC §1107(a) and §1108 of the Bankruptcy Code.
3. The United States Bankruptcy Court of the Western District of Michigan (the "Court") has jurisdiction over this matter pursuant to 28 USC §§157.
- 4 This matter is a core proceeding within the meaning of 12 USC §157(b)(2)/
5. Venue is proper pursuant to 28 USC §§1408 and 1409.
- 6 The statutory basis for the relief requested herein are §§105(a) and 363 of Title 11 of the Bankruptcy Code (the "Bankruptcy Code"), Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

7. The Debtor is filing Chapter 11 due to its inability to negotiate payment arrangements with a number of lenders who purport to have liens on the Debtor's accounts receivable. The extent of any particular creditor's lien and the priority of any particular creditor's lien cannot be determined with the information available to the Debtor at this time.
8. A Uniform Commercial Code search disclosed two filings which are attached hereto as Exhibit "A" and "B".
9. The Debtor's records indicate the following lenders are likely to assert an interest in Debtor's accounts receivable and possibly other assets of the Debtor. All will be given notice of any hearing regarding the use of cash collateral:
 1. BFS Capital
 2. Business Advantage Team
 3. Can Capital
 4. Everyday Capital/EDC
 5. Funding Circle Marketplace LLC
 6. The Fundworks
 7. Tiger Capital/SPG Advance
 8. Silverline Funding
10. The cash collateral will be used to pay critical vendors, including ordinary expenses of operating the business such as insurance, rent and inventory. Cash collateral will also be used to pay employees on a bi-weekly basis.
11. Payroll is less than \$13,000.00 every two weeks. Critical vendor payments, excluding AmeriSource Bergen, are approximately \$4,850.00 every two weeks.

Payments to Amerisource Bergen and other inventory suppliers are approximately \$91,457.00 every two weeks.

12. The Debtor will need authorization to pay not more than \$13,000.00 in payroll every two weeks. The Debtor will also need authorization to pay no more than \$100,000.00 ever two weeks for critical vendor and inventory suppliers, including Amerisource Bergen.

13. The authorization shall be needed for a period of sixty (60) days.

14. The Debtor offers as adequate protection the following:

(a) The equity in the collateral above each respective lien.

(b) The maintenance of the property/

(c) The use or sale of the cash collateral which will generate replacement collateral each month and the Debtor offers a lien on the replacement collateral.

WHEREFORE Debtor respectfully requests the attached order authorizing the use of cash collateral be entered.

Dated: March 11, 2020

/s/ Paul Bare
Bare & Clough, PC
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By: Carroll Clough (P68204)
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